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October 26, 2005

VIA HAND DELIVERY

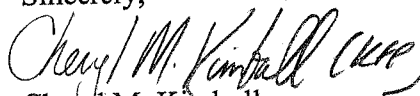
Luly Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, Rhode Island 02888

RE: Docket No. 3690, Earnings Sharing Mechanism and Distribution Adjustment Charge Filing

Dear Ms. Massaro:

Enclosed please find an original and nine (9) copies of New England Gas Company's responses to the George Wiley Center's First Set of Data Requests in the above captioned docket. Thank you for your attention to this filing.

Sincerely,



Cheryl M. Kimball
(R.I. Bar #6458)

Enclosure

cc: Luly Massaro, Commission Clerk (nine copies)
service list, docket no. 3690

New England Gas Company
Docket No. 3690

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

- Q. Wiley 1-01** Referring to the Direct Testimony of Peter C. Czekanski at page 7, lines 9-20 and page 8, lines 1-2, please describe the program under which New England Gas Company (NEGC) applies credits to consumers' gas bills under the Low Income Assistance Program (LIAP).
- A. Wiley 1-01** When a customer telephones New England Gas Company to have their gas turned on or to make an agreement with the Company, and it is determined that they are a LIHEAP recipient, NEGC applies the amount of the LIHEAP grant and the amount of the Company's match to the down payment needed to connect service or to make an agreement for payment. This allows the customer to be set up on the lowest monthly possible pay agreement.

**New England Gas Company
Docket No. 3690**

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-02 Referring to attachment PCC-6 to the Direct Testimony of Peter C. Czekanski, please explain why LIAP resulted in an over-recovery of \$99,243 from June, 2004 to June 2005.

A. Wiley 1-02 The Company's distribution rates approved by the Commission in Docket No. 3401 include \$0.0519 per therm for ratepayer funding of the Low Income Assistance Program (LIAP) at an annual level of \$1,785,000. As part of the Company's annual Distribution Adjustment Charge (DAC) reconciliation, actual collections from ratepayers are quantified and a refund is established when there is an overcollection or an increase in the case of an undercollection. Over the July 2004 through June 2005 period, there was an overcollection of \$99,243 and hence PCC-6 shows a credit.

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Docket No. 3690**

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-03 Referring to attachment PCC-6 to the Direct Testimony of Peter C. Czekanski, please state whether NEGC anticipates either an over- or under-recovery in LIAP in 2005-2006.

A. Wiley 1-03 The Company does not anticipate either an over- or under-recovery of LIAP in 2005-06.

**New England Gas Company
Docket No. 3690**

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-04 Referring to attachment PCC-6 to the Direct Testimony of Peter C. Czekanski, please state whether the amount of the over-recovery in 2004-2005 will be applied to 2005-2006.

A. Wiley 1-04 Please see the Company's reply to data request Wiley 1-02.

**New England Gas Company
Docket No. 3690**

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

- Q. Wiley 1-05** Please state whether any NEGC customers who were eligible for the federal Low Income Heating Energy Assistance Program (LIHEAP) were denied assistance under NEGC's LIAP in 2004-2005.
- A. Wiley 1-05** There are customers that are eligible for LIHEAP that did not receive LIAP matching funds. Please see the Company's response to data request Wiley 1-06.

New England Gas Company
Docket No. 3690

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-06 If the answer to question 1-5 is yes, please state:

- how many such customers were denied LIAP assistance;
- The average amount of assistance denied; and
- Why such customers were denied LIAP assistance

A. Wiley 1-06 Of the approximately 15,500 NEGC customers who received LIHEAP, 387 did not receive LIAP. With regard to the average amount of assistance denied to those customers, this information is not available as it is not tracked at the Company.

As to why these customers did not receive LIAP assistance, there are two classes of explanation. First, 44 of those customers were denied due to their account becoming inactive almost immediately after the turn on. Some of these customers filed bankruptcy or paid the balance due. When this occurs the funds are returned to the State Energy Office and to the Company in order to be utilized for other protected status customers.

The remaining 343 customers combined LIHEAP and LIAP total exceeded 90% of the customer's total estimated annual heat bill. This combination of over 90% violated NEGC's policy with regard to application of these funds. As a result, these customers, though protected, are required to pay at least 10% of their annual billings.

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Data Request and Response

Requestor: George Wiley Center

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Issue Date: October 12, 2005

Q. Wiley 1-07 Please describe the source of funding for NEGC's LIAP program.

A. Wiley 1-07 Please see the Company's reply to data request Wiley 1-02.

**New England Gas Company
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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-08 Please describe any sources of funds of which NEGC is aware, other than LIHEAP and LIAP, to assist low-income and poor customers in paying the requested 23.8% increase in gas rates.

A. Wiley 1-08 The Company is aware that local churches and charity organizations in each customer's neighborhood often assist low-income and poor customers. These may change from time to time, and we update our referral lists as we are made aware of those changes. Additionally, the Salvation Army's Good Neighbor Energy Fund offers resources for families in need.

**New England Gas Company
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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-09 Please describe any and all programs, plans or proposals that NEGC drafted, assessed, proposed or considered to assist low-income and poor customers in paying the requested 23.8% increase in gas rates.

A. Wiley 1-09 Last year, the Governor convened a Working Group headed by Reverend John Holt to address the continuing problem of low-income families who could not continue pay their energy bills. Committee members include representatives from New England Gas, Narragansett Electric, the Fuel Oil Institute, General Assembly staff, philanthropic groups, community activists, religious organizations, state energy officials and state regulators.

As a result of discussions and the efforts made by participants in the room at those meetings, the Working Group submitted recommendations to the General Assembly. That proposal later became Senate 1161. Although the bill failed to pass the Senate last session, the Company stands by its support for that measure, and continues to be willing to sit at the negotiating table with all interested parties to insure that a fair and equitable solution to assist low-income and poor customers can be reached.

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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-10 Referring to the Direct Testimony of Peter C. Czekanski at page 7, lines 9-20 and page 8, lines 1-2: Why has NEGC proposed not to increase funding for LIAP?

A. Wiley 1-10 The Company does not propose to increase LIAP funding at this time because such an approach would disproportionately increase costs for the Company's non-protected customers.

New England Gas Company
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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

- Q. Wiley 1-11** Please explain why NEGC is proposing not to increase LIAP funding in light of the 23.8% requested increase in rates and the fact that the incomes of low-income and poor customers have not increased commensurately (no increase in minimum wage, no increase in welfare benefits for last 16 years).
- A. Wiley 1-11** Please refer to the Company's response to Wiley 1-09.

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Docket No. 3690**

Data Request and Response

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Issue Date: October 12, 2005

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- Q. Wiley 1-12** Please state whether NEGC has considered a discount program for low-income and poor customers, such as the 15% discount program for gas customers in New Hampshire or the A-60 discount class used by Narragansett Electric in Rhode Island.
- A. Wiley 1-12** The Company has not previously considered this type of discount program.

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Issue Date: October 12, 2005

Q. Wiley 1-13 If NEGC has not considered such a program, please state why.

A. Wiley 1-13 The end result of any type of low-income discount rate is additional cost for other customers who must subsidize the costs generated and not paid for by the low-income customer group. This factor is a concern for the Company who must look out for the interests of all customers.

**New England Gas Company
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Issue Date: October 12, 2005

Q. Wiley 1-14 If NEGC has considered such a program and rejected it, please describe the program considered and state why it was rejected.

A. Wiley 1-14 The Company has not considered such a program.

**New England Gas Company
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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

- Q. Wiley 1-15** Does NEGC anticipate more terminations due to inability to pay if the requested 23.8% rate increase is granted?
- A. Wiley 1-15** The Company is unable to quantify whether the requested increase for gas supply costs will result in more terminations due to inability to pay.

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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-16 Is NEGC considering making any changes in its termination or restoration policies in light of anticipated increases in terminations due to inability to pay the 23.8% increase in rates?

A. Wiley 1-16 Please refer to the Company's response to Wiley 1-15.

**New England Gas Company
Docket No. 3690**

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-17 If so, please describe any changes in termination or restoration policies that NEGC is considering.

A. Wiley 1-17 The Company currently offers all protected customers who owe \$2,800 or less the opportunity to pay 20% of their outstanding balance down and pay the remaining arrearage over 24 months.

New England Gas Company
Docket No. 3690

Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

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- Q. Wiley 1-18** Please describe any and all programs or proposals that NEGC drafted, assessed, proposed or considered to protect the health and safety of low-income and poor customers whose gas service is terminated due to inability to pay the requested 23.8% increase in rates.
- A. Wiley 1-18** The Company complies with the Commission's established Winter Moratorium guidelines to ensure the health and safety of protected low-income customers who would be otherwise eligible for termination due to inability to pay outstanding balances.

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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-19 Please state the percentage of customers participating in NEGC's LIAP program who stayed current with their bills in 2004-2005.

A. Wiley 1-19 Approximately 57.9% of customers participating in the LIAP program stayed current with their bills in 2004-2005.

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Data Request and Response

Requestor: George Wiley Center

Respondent: Peter Czekanski

Issue Date: October 12, 2005

Q. Wiley 1-20 Please state the percentage of customers participating in NEGC's LIAP program whose service was terminated in 2004-2005 due to non-payment of bills.

A. Wiley 1-20 The percentage of participating LIAP customers whose service was terminated in 2004-2005 due to non-payment of bills was 21.4%.

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Data Request and Response

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Q. Wiley 1-21 Please state the percentage of customers participating in the Percentage of Income Program (PIPP) in the 1980's who stayed current with their bills.

A. Wiley 1-21 The Company does not maintain records back to the 1980's and is therefore unable to respond to this request.

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Q. Wiley 1-22 Please state the percentage of customers participating in the Percentage of Income Program (PIPP) in the 1980's whose service was terminated due to non-payment of bills.

A. Wiley 1-22 Please refer to the Company's response to Wiley 1-21.